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MITT ROMNEY
GOVERNOR

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January 28, 2004

To the Honorable Senate and House of Representatives:

I am filing herewith for your consideration a bill entitled "An Act to Accelerate School Building Assistance Payments to Cities, Towns, and Regional School Districts and to Increase Efficiencies in Public Construction Projects." This legislative package will ensure the financial sustainability of the School Building Assistance program and provide for an accelerated construction schedule, while reforming the manner in which public buildings are constructed.

This bill refinances state grants for school building construction and renovation projects, resulting in \$150 million of savings in fiscal year 2005. The savings will be used to accelerate payments for projects on the priority waitlist by authorizing the issuance of bonds beginning in fiscal 2005.

Under the current law, cities, towns and regional school districts are required to borrow the full cost of a school construction project. The state reimburses communities over time using yearly appropriations from the operating budget. By transitioning funding from the operating budget to the capital budget, this legislation will provide upfront reimbursements to cities, town and regional school districts, thereby eliminating the uncertainty that these communities may experience as a result of fluctuations in yearly appropriations.

This legislation creates an independent board to oversee and administer the School Building Assistance program. In addition, a special commission will be tasked to provide legislative and regulatory recommendations for the reconstitution of the School Building Assistance program for future school projects.

Finally, this legislation includes reforms designed to lower the construction cost of public buildings by allowing flexible construction methods and eliminating filed subcontractor bid requirements. By reducing red tape and inefficiency, we will save money for the Commonwealth and its taxpayers and offer relief to municipalities, thereby, allowing more schools to be built faster.

Our children deserve safe, modern and efficient schools, which are an integral part of my Administration's "Legacy of Learning" initiative.

I urge your prompt and favorable consideration of this bill.

Respectfully submitted,

Mitt Romney
Governor